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3 RESOLUTION 93-02

4 APPROVAL OF 97% CAL-HOME BUYER LOAN PROGRAM

5 WHEREAS, staff has recommended the approval of the 97%
6 Cal-Home Buyer Loan Program ("BLP") as described in that certain
7 memorandum from the Agency to the Board of Directors dated
8 January 14, 1993 ("BLP Memo") incorporated herein by this
9 reference; and

10 WHEREAS, staff has determined that there is a need in
11 the State of California to reduce the down payment requirements
12 for prospective borrowers in order to make the purchase of single
13 family homes more affordable; and

14 WHEREAS, making the buying of homes more affordable
15 will stimulate new construction activity in the State; and

16 WHEREAS, in order to make home buying more affordable
17 and to stimulate construction activity, CHFA will make 97% loan-
18 to-value mortgage loans to qualified borrowers for qualified
19 single family residences under the BLP; and

20 WHEREAS, CHFA and CHIF will work in cooperation with
21 each other to implement the BLP; and

22 WHEREAS, CHFA will be required under the BLP to pledge
23 \$1 million; and

24 WHEREAS, CHFA will allocate \$50 million of bond funds
25 to provide mortgage loans under the BLP; and

26 WHEREAS, CHIF will be required under the BLP to provide
27 mortgage insurance of 50% top coverage for mortgage loans made
under the BLP; and

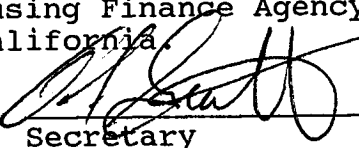
NOW, THEREFORE, BE IT RESOLVED, that the Board of
Directors of the California Housing Finance Agency accepts the
staff's recommendation pursuant to the BLP Memo dated January 14,
1993 and therefore authorizes the following:

1. The BLP as described in the BLP Memo is hereby approved.

2. The financial arrangements, allocation, pledge, and insurance coverage as described in the BLP Memo is hereby approved.

I hereby certify that this is a true and correct copy of Resolution 93-02 adopted at a duly constituted meeting of the Board of Directors of the California Housing Finance Agency held on January 14, 1993 in San Francisco, California.

Attest:


Secretary